

## § 641.700

## 20 CFR Ch. V (4–1–08 Edition)

### § 641.700 What performance measures/indicators apply to SCSEP grantees?

(a) *Indicators of performance.* There are currently eight performance measures, of which six are core indicators and two are additional indicators. Core indicators (defined in § 641.710) are subject to goal-setting and corrective action (described in § 641.720); that is, performance level goals for each core indicator must be agreed upon between the Department and each grantee before the start of each program year, and if a grantee fails to meet the performance level goals for the core indicators, that grantee is subject to corrective action. Additional indicators (defined in § 641.710) are not subject to goal-setting and are, therefore, also not subject to corrective action.

(b) *Core indicators.* Section 513(b)(1) as amended by Pub. L. 109–365 establishes the following core indicators of performance:

- (1) Hours (in the aggregate) of community service employment;
- (2) Entry into unsubsidized employment;
- (3) Retention in unsubsidized employment for six months;
- (4) Earnings;
- (5) The number of eligible individuals served; and
- (6) The number of most-in-need individuals served (the number of participating individuals described in subsection (a)(3)(B)(ii) or (b)(2) of section 518).

(c) *Additional indicators.* Section 513(b)(2) as amended by Pub. L. 109–365 establishes the following additional indicators of performance:

- (1) Retention in unsubsidized employment for one year; and
  - (2) Satisfaction of the participants, employers, and their host agencies with their experiences and the services provided.
- (3) Any other indicators of performance that the Secretary determines to be appropriate to evaluate services and performance.

(d) *Affected entities.* The core indicators of performance and additional indicators of performance are applicable to each grantee without regard to whether such grantee operates the program directly or through sub-con-

tracts, sub-grants, or agreements with other entities. Grantees must assure that their sub-grantees and lower-tier sub-grantees are collecting and reporting program data.

(e) *Required evaluation and reporting.* An agreement to be evaluated on the core indicators of performance and to report information on the additional indicators of performance is a requirement for application for, and is a condition of, all SCSEP grants.

### § 641.710 How are the performance indicators defined?

(a) The core indicators are defined as follows:

(1) “Hours of community service employment” is defined as the total number of hours of community service provided by SCSEP participants divided by the number of hours of community service funded by the grantee’s grant, after adjusting for differences in minimum wage among the States and areas. Paid training hours are excluded from this measure.

(2) “Entry into unsubsidized employment” is defined by the formula: Of those who are not employed at the date of participation: The number of participants who are employed in the first quarter after the exit quarter divided by the number of adult participants who exit during the quarter.

(3) “Retention in unsubsidized employment for six months” is defined by the formula: Of those who are employed in the first quarter after the exit quarter: The number of adult participants who are employed in both the second and third quarters after the exit quarter divided by the number of adult participants who exit during the quarter.

(4) “Earnings” is defined by the formula: Of those participants who are employed in the first, second and third quarters after the exit quarter: Total earnings in the second quarter plus total earnings in the third quarter after the exit quarter divided by the number of participants who exit during the quarter.

(5) “The number of eligible individuals served” is defined as the total number of participants served divided by a grantee’s authorized number of

positions, after adjusting for differences in minimum wage among the States and areas.

(6) “Most-in-need” or “the number of participating individuals described in subsection (a)(3)(B)(ii) or (b)(2) of section 518” is defined by counting the total number of the following characteristics for all participants and dividing by the number of participants served. Participants are characterized as most-in-need if they:

- (i) Have a severe disability;
- (ii) Are frail;
- (iii) Are age 75 or older;
- (iv) Meet the eligibility requirements related to age for, but do not receive, benefits under Title II of the Social Security Act (42 U.S.C. 401 *et seq.*);
- (v) Live in an area with persistent unemployment and are individuals with severely limited employment prospects;
- (vi) Have limited English proficiency;
- (vii) Have low literacy skills;
- (viii) Have a disability;
- (ix) Reside in a rural area;
- (x) Are veterans;
- (xi) Have low employment prospects;
- (xii) Have failed to find employment after utilizing services provided under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 *et seq.*); or
- (xiii) Are homeless or at risk for homelessness.

(b) The additional indicators are defined as follows:

(1) “Retention in unsubsidized employment for 1 year” is defined by the formula: of those who are employed in the first quarter after the exit quarter: The number of participants who are employed in the fourth quarter after the exit quarter divided by the number of participants who exit during the quarter.

(2) “Satisfaction of the participants, employers, and their host agencies with their experiences and the services provided” is defined as the results of customer satisfaction surveys administered to each of these three customer groups. The Department will prescribe the content of the surveys.

**§ 641.720 How will the Department and grantees initially determine and then adjust expected levels of performance for the core performance measures?**

(a) *Initial agreement.* Before the beginning of each Program Year, the Department and each grantee will undertake to agree upon expected levels of performance for each core indicator, except as provided in paragraph (b) of § 641.730.

(1) As a first step in this process, the Department proposes a baseline performance level for each core indicator, taking into account any statutory performance requirements, the need to promote continuous improvement in the program overall and in each grantee, the grantee’s past performance, and the statutory adjustment factors articulated in paragraph (b) of this section.

(2) A grantee may request a revision to the Department’s initial performance level goal determination. The request must be based on data that supports the revision request. The data supplied by the grantee at this stage may concern the statutory adjustment factors articulated in paragraph (b) of this section, but is not limited to those factors; it is permissible for a grantee to supply data on “other appropriate factors as determined by the Secretary.” Section 513(a)(2)(C) as amended by Pub. L. 109-365.

(3) The Department may revise the performance level goal in response to the data provided. The Department then sets the expected levels of performance for the core indicators. Grantee may agree to the expected level of performance and thereby receive the grant. At this point, agreement is reached by the parties and funds may be awarded. If a grantee does not agree with the offered expected level of performance, agreement is not reached and no funds may be awarded. A grantee may submit comments to the Department regarding the grantee’s satisfaction with the expected levels of performance.

(4) Funds may not be awarded under the grant until such agreement is reached.

(5) At the conclusion of negotiations concerning the performance levels with